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DECLARATION OF GERALD ARMSTRONG

I, Gerald Armstrong, declare:

1. I am the plaintiff in this case. I have personal knowledge of the facts set forth in this declaration and could competently testify thereto if called as a witness. I am making this declaration in support of oppositions to a motion by defendant Scientology corporation Church of Scientology International ("CSI") to dismiss the complaint, and a motion by defendant Religious Technology Center ("RTC") to dismiss the complaint.

2. I was inside Scientology for many years, held several key positions such as public relations officer, legal officer, intelligence officer and archivist/researcher, and gained considerable knowledge of organization structure, personnel, policies and practices. I worked closely with Scientology founder L. Ron Hubbard and gained considerable knowledge of his history, activities, writings and intentions. I left Scientology when I discovered and documented organization-wide fraud concerning Hubbard's history, accomplishments, intentions, the promises of Scientology's mental healing "technology" and the organization's nature and activities.

3. Because of what I knew of Scientology and Hubbard fraud and other abuses, immediately after leaving the organization, and continuing to this day, I was designated by Scientology leaders as an "enemy" and became a target of Scientology's policy and practice of attacking "enemies," called, and judicially condemned as, "fair game." Hubbard stated in one description:

1 "ENEMY - SP ("Suppressive Person") Order. Fair Game. May be
2 deprived of property or injured by any means by any Scientologist
3 without any discipline of the Scientologist. May be tricked, sued,
4 or lied to or destroyed." I view fair game as a philosophy and
5 practice of opportunistic hatred; Scientology leaders seize any
6 opportunity to cause designated "enemies" harm.

7 4. Actions since 1982 by Scientology's personnel or agents
8 against me pursuant to fair game, include:

- 9 - filing five lawsuits against me;
- 10 - following, surveilling and harassing me and my wife;
- 11 - spying in our windows and upsetting our neighbors;
- 12 - attempting to involve us in a freeway "accident;"
- 13 - assaulting me;
- 14 - striking me bodily with a car;
- 15 - threatening to put a bullet between my eyes;
- 16 - attempting on more than 12 occasions to have me prosecuted
17 on false criminal charges, including by the FBI;
- 18 - stealing a manuscript and artwork from my car;
- 19 - filing false sworn statements about me in various
20 litigations;
- 21 - extracting and disseminating information from my supposedly
22 confidential auditing (psychotherapy) files;
- 23 - illegally videotaping me;
- 24 - attempting to entrap me in the commission of a crime;
- 25 - threatening me on several occasions if I testified about my
26 knowledge of Scientology;
- 27 - threatening my friends;
- 28 - subjecting my attorneys to years of fair game;

1 - subjecting me to a massive international "black propaganda"
2 campaign.

3 5. Black propaganda or "black PR" is the term Hubbard gave
4 to Scientology's policy and practice of destroying a target's
5 reputation and credibility or public belief in him by the
6 manufacture and spreading of falsehoods about him. Over the years
7 Scientology has published and disseminated a small mountain of
8 black PR on me, falsely accusing me of perversities and crimes,
9 including crimes against humanity, in an ongoing effort to
10 assassinate my character. Scientology black PR on me disseminated
11 by organization agents in 1996 to principals of Watchman
12 Fellowship, a Christian research and apologetics organization, is
13 the basis of this lawsuit.

14 6. Appended hereto as Exhibit A is a true and correct copy
15 of the 1984 decision of Los Angeles Superior Court Judge Paul G.
16 Breckenridge, Jr. in the first case in which Scientology sued me,
17 LASC No. C 420153. Judge Breckenridge condemned Scientology's fair
18 game policy:

19 "In addition to violating and abusing its own members
20 civil rights, the organization over the years with its
21 "Fair Game" doctrine has harassed and abused those
22 persons not in the Church whom it perceives as enemies.
23 The organization clearly is schizophrenic and paranoid,
24 and this bizarre combination seems to be a reflection of
25 its founder LRH. The evidence portrays a man who has
26 been virtually a pathological liar when it comes to his
27 history, background and achievements. The writings and
28 documents in evidence additionally reflect his egoism,

1 greed, avarice, lust for power, and vindictiveness and
2 aggressiveness against persons perceived by him to be
3 disloyal or hostile." (Ex. A, 8:18-9:4)

4 The California Court of Appeal affirmed the decision and judgment,
5 Scientology v. Armstrong (1991) 232 Cal.App.3d 1060, 283 Cal.Rptr.
6 917.

7 7. I have testified more than sixty days in trial or
8 deposition is some twenty Scientology-related cases, and written
9 and executed approximately one hundred declarations which have
10 been filed in perhaps fifty cases. I am an expert in Scientology's
11 policies and practices, particularly its fraud and fair game
12 doctrine, and I have testified in legal proceedings as an expert
13 qualified in these areas.

14 8. CSI and RTC are components of the global Scientology
15 syndicate. All of the components are under the direction and
16 control of David Miscavige, also a defendant herein.

17 9. CSI and RTC assert that I am not a resident of Nevada.
18 This is not true. I have considered myself, and have legally been,
19 a resident of Nevada since November, 1997. I have never since that
20 time considered myself a resident of any other state or province
21 than Nevada, and have never stated to anyone since that time that
22 I was not a resident of Nevada. I have had a post office box in
23 Nevada since November 21, 1997, where I have received mail,
24 including substantive non-junk mail. Appended hereto as Exhibit B
25 is a true and correct copy of the receipt for a year's rental of
26 post office box no. 2802, Minden, NV 89423. I will, of course, now
27 change my box location and number. I have a Nevada driver's
28 license, and do not have a driver's license from any other state

1 or province. I have work in Nevada, am actively engaged in that
2 work, and keep my personal property in Nevada.

3 10. CSI and RTC support their false assertion that I am not
4 a resident of Nevada with a declaration by Sheila M. Werner, who
5 states that during a conversation with her on April 5, 1998 I
6 "told [her] that I had recently been in Nevada but that [I] did
7 not plan to live there and was there only for legal matters."
8 (Werner Decl. p 2, para 9) This is completely false.

9 11. As Ms. Werner states, she called the telephone number of
10 my mother's home in Chilliwack, B.C., Canada a number of times,
11 and spoke to either my mother or me, and on a couple of occasions
12 I called her back at her Vancouver, B.C. number. We met as she
13 says on two occasions, in the Chilliwack Starbucks and another
14 cafe in Chilliwack, called After Thoughts.

15 12. During our initial telephone conversations Ms. Werner
16 said that she is involved in many facets of the Canadian movie/TV
17 industry as an actor and in other production capacities and she
18 wanted to make contact with me and give me a script writing
19 program. She said that there are all kinds of opportunities in the
20 industry and that she had gotten the idea that I might be writing
21 a script. She said that she is writing scripts and described how
22 wonderful the program makes script writing. She said that she
23 wanted to give me the program so that I could run it on my
24 computer. I asked her if she had been in touch with anyone
25 connected to the Scientology organization and she said that she
26 had not in several years. She said that her ex-husband is involved
27 with Scientology but that she didn't know in what way. She said
28 that she knew about my being a Scientology target and my

1 supporting the effort to reform its irreligious practices. She
2 said that she had read of my involvement in these things on the
3 Internet, mentioning specifically the newsgroup alt.religion.
4 scientology ("ars"). She said that the script she was writing
5 wasn't about Scientology, and that she wouldn't do anything
6 directly about its irreligious practices because of the threat of
7 Scientology retribution directed at her children.

8 13. Since December, 1981 I have been alert to Scientology's
9 actions of operating agents to get close to me or having thugs
10 threaten or attack me. My sociableness, social contacts and
11 interactions with almost all people are significantly impacted by
12 that continual alertness. When she first contacted me I was
13 immediately alert to the possibility that Ms. Werner was a
14 Scientology agent, and I continued to be alert to that possibility
15 throughout the Werner operation. I was alert to the fact that Ms.
16 Werner's way of communicating, including but not limited to the
17 repetition of phrases, her freneticness, and the questions she
18 asked, made me think she had been scripted and rehearsed in what
19 to say to me. At the same time, I gave Ms. Werner the benefit of
20 the doubt and did not cut off communication with her nor
21 communicate with her in any way but with respect. On both
22 occasions when we met I bought her a coffee.

23 14. When in our first conversations Ms. Werner offered to
24 give me the scriptwriter program to run on my computer I was alert
25 to the possibility that Scientology's leaders would attempt to
26 damage my computer or have me prosecuted or even raided for a
27 "copyright violation" or other concocted charge. I therefore
28 declined Ms. Werner's offer to give me the program and told her

1 that perhaps some time when I was in the Vancouver area I could
2 drop by her home and see the program on her computer.

3 15. During the conversation in Starbucks Ms. Werner asked me
4 where I had been and what I had been doing in Nevada. I told her
5 that since November, 1997 Nevada had been my residence, that I was
6 intending to live here and that I had most of my personal
7 belongings here. I said that it was my legal situation in
8 combating Scientology's fair game attacks which drew me to Nevada,
9 and that I had been doing, was doing and would be doing legal work
10 in a law firm in Nevada. I was extremely careful to say in every
11 sensible way that Nevada is my residence, because I did not want
12 to give Scientology, if Ms. Werner was, as I suspected, its agent,
13 any way of "misinterpreting" for its "legal" purposes what I was
14 saying about my residency. Ms. Werner's assertion that I said that
15 I did not plan to live in Nevada is therefore a blatant and
16 inexcusable lie.

17 16. Ms. Werner states:

18 "On 29th of March 1998, I called for Gerry
19 Armstrong at this mother's house. The lady whom I
20 believe to be his mother informed me that Gerry had gone
21 to check out a sports club at Vedder Crossing to see if
22 he wants to join." (Werner Decl. 2, para 7)

23 This is untrue. I went to Vedder Crossing to run with a group of
24 runners who run there every weekend. Anyone not a "member" is
25 welcome to run with them. I had no intention of, or interest in,
26 "joining " that club because I had no intention of staying in that
27 area. I have also run with runners here in Reno who are members of
28 the Silver State Striders, and I expect I will continue to run

1 with them. I would have already joined the Striders, but I am very
2 cautious about social contacts because of the continual efforts by
3 Scientology's leaders and agents to cause trouble to me and those
4 close to me.

5 17. During our meeting at Starbucks Ms. Werner gave me two
6 publications, The Georgia Straight, Vancouver's major weekly
7 newspaper, of April 2-9, 1998, and Reel West Digest "the Directory
8 for Film, Video and Multimedia Production in Western Canada," 1997
9 edition. True and correct copies of identifying pages from these
10 publications are appended hereto as Exhibit C.

11 18. During our meeting at After Thoughts Cafe I asked Ms.
12 Werner directly if she had spoken to anyone connected to the
13 Scientology organization about me. She said no. I asked her if she
14 had spoken to anyone connected to the Scientology organization
15 about speaking to me. She said no. I asked her if she had been
16 asked by anyone connected to the Scientology organization to
17 contact me or ask me anything. She said no.

18 19. Also during the After Thoughts meeting, Ms. Werner
19 wanted me to take from her a copy of a script she said she had
20 written involving the "X-Files" TV program theme and characters.
21 She said that the script she had written concerned a sort of viral
22 mutation like "mad cow disease." She handed me her "script" but I
23 did not pick it up. She also had a typed receipt and
24 confidentiality agreement for her "script" which she handed me and
25 wanted me to sign. I did not sign the document and did not pick it
26 up. I told her that I suspected that she was an agent for
27 Scientology, that the organization perhaps wanted to get my
28 fingerprints on her "script" for some malevolent purpose, and that

1 perhaps the organization wanted to set me up in some kind of
2 "copyright violation" scenario. It is a well known fact that
3 Scientology, with its also well known litigation machine, uses
4 "copyright law" to raid, attack and ruin targeted "enemies." When
5 I stated my suspicion, Ms. Werner became "indignant" and quickly
6 left the cafe.

7 20. Now Ms. Werner has shown that indeed she was being
8 operated as a Scientology agent, on orders, coached and drilled to
9 get close to me in order to compromise, entrap or frame me in some
10 way. Her telephone calls to me and my mother and meetings with me
11 were at a minimum to create a "context" to give believability to
12 the lie the Scientology leaders needed from her in order to
13 "support" their "legal" tactic by which they could possibly avoid
14 responsibility in the real claims and issues in this case. Ms.
15 Werner lied about her reasons for contacting me, lied about her
16 interest in giving me a computer program, lied about finding out
17 about me on the Internet, lied when she said she had not been
18 directed by anyone connected to Scientology to contact me, lied
19 when she said she had not spoken to anyone about me, and lied
20 about what I had stated very clearly concerning my Nevada
21 residence. To Scientology agents it is perfectly acceptable, even
22 laudable, to lie or testify falsely about me because I am "fair
23 game."

24 21. I had actually been planning to live in Nevada for
25 several months before I made this State my residence in November,
26 1997. Over those several months I made arrangements so that I
27 could have some protections in place in Nevada against expected
28 Scientology attacks, and a job situation in place in Nevada when

1 I established my residence here. By November, 1997 those things
2 were reasonably in place and I began to work in Nevada. I made
3 some trips back to Canada thereafter, principally to help my
4 family, help ready my mother's home so it can be sold, and help my
5 brother with some renovations projects at his home. Of course I
6 continued, as I am continuing in Nevada, my actions in bringing to
7 light Scientology's fraud, abuses and dangers, correcting the
8 injustices Scientology is perpetrating against me and others in
9 the legal arena, and countering the black PR campaign the
10 organization continues against me. I was able to take this time
11 away from Nevada at the start of my residency here in no small
12 part because the various Scientology defendants in this case
13 avoided for a great length of time accepting service of the
14 summons and complaint. I did not, however, during all that time,
15 ever say or consider that I was a resident of anywhere other than
16 Nevada. Even if I were gainfully employed in Canada, which I am
17 not, and even if I wanted to live there, I cannot live at my
18 mother's or brother's homes because of the continual threat to
19 them of attack or harassment from the Scientology organization and
20 its agents. No matter where I reside or even stop to rest, I avoid
21 letting Scientology's agents find out where I am as long as
22 sensible or possible; thus I will not now divulge any location
23 where I stay or intend to stay in Nevada, or elsewhere. I will be
24 available in Nevada for all proceedings in this case which require
25 my physical presence.

26 22. CSI and RTC also supports their motions to dismiss with
27 a declaration executed by attorney Andrew Wilson which contains a
28 substantial number of untruths. Mr. Wilson states:

1 "In late January, 1997, I learned of actions by Mr.
2 Armstrong that I believed were clear violations of the
3 [October, 1995] Injunction. Armstrong sent to the Hon.
4 Ronald M. Whyte, the United States District Judge
5 presiding over three cases in which the plaintiff is
6 Religious Technology Center ("RTC"), a beneficiary of
7 the Injunction, a letter and lengthy declaration
8 disseminating information denouncing CSI and its related
9 entities. ¶ This was not Armstrong's first violation of
10 the Injunction. Prior to that, Armstrong repeatedly and
11 wilfully disobeyed the preliminary injunction which
12 preceded the permanent injunction. (Wilson Decl. 2:20-
13 26)

14 I at no time disobeyed the "preliminary injunction." Between 1992
15 and 1994 Scientology attempted to have me sentenced and jailed for
16 several non-existent "violations" or "contempts" which its agents
17 manufactured. All of the alleged contempts were discharged, and
18 Mr. Wilson, who participated in the contempt proceedings, is fully
19 aware of this fact.

20 23. I sent the declaration and letter, true and correct
21 copies of which are appended hereto as Exhibit D, to Judge Whyte
22 to properly report an improper threat received from attorney
23 Wilson. I had been subpoenaed by defendant Grady Ward to produce
24 documents in the case of RTC v. Ward, US District Court for the
25 Northern District of California, case no. C-96-20207 RMW. A true
26 and correct copy of the subpoena is appended hereto as Exhibit E.
27 The following day I received from Mr. Wilson a letter, a copy of
28 which is appended hereto as Exhibit F, threatening "further

1 conflict and annoyance" between me and Scientology if I produced
2 the subpoenaed documents. I considered and still consider Wilson's
3 threat to be obstructive of justice and so reported it to Judge
4 Whyte. I had been threatened by Scientology lawyers on a number of
5 other occasions when I had earlier been subpoenaed as a witness in
6 Scientology-related litigations. I am aware of several legal
7 decisions condemning Scientology for obstruction of justice, for
8 its policy of using the law to harass and for being a most
9 vexatious litigant. I have been a target of Scientology's fair
10 game tactics in the legal arena since 1982 and am very familiar
11 with those tactics.

12 24. Mr. Wilson has appended to his declaration as Exhibit H
13 pages 1, 55 and the proof of service from a declaration I executed
14 January 26, 1998 and filed in the case of Scientology v.
15 Armstrong, Marin County California Superior Court Case No. 157680.
16 I am appending hereto as Exhibit G a true and correct copy of the
17 complete declaration. A reading of this declaration will reveal
18 that the facts and truth concerning the October 1995 injunction,
19 my leaving California and going to Canada, and the contempt orders
20 Scientology has obtained against me are very different from what
21 Mr. Wilson has stated about these matters.

22 25. Mr. Wilson states:

23 "Accordingly, CSI brought a motion for contempt
24 before the Hon. Gary W. Thomas in Marin County Superior
25 Court. The Court issued an Order to Show Cause Re:
26 Contempt on February 18, 1997, and an Order Allowing
27 Service of the Order to Show Cause Re: Contempt. A
28 hearing was held on May 23, 1997. Armstrong did not

1 appear, nor did he file any opposition or evidence."

2 (Wilson Decl. 2:27-3:2)

3 I was never served with the motion or the OSC.

4 26. Mr. Wilson states:

5 "On June 23, 1997, the Marin County Superior Court
6 entered an Order of Contempt against Armstrong
7 ("Contempt Order") to punish him for his ex parte
8 communication with United States District Judge Ronald
9 M. Whyte. The Contempt Order decreed that Armstrong be
10 punished for contempt..." (Wilson Decl. 3:3-5)

11 For the facts concerning this improper and illegal contempt order,
12 please see Ex. G hereto, pp 30-36, paras 35-43.

13 27. Mr. Wilson states:

14 "As indicated by the "care-of" return address on
15 the Armstrong Declaration (Ex. G to Wilson Decl.) cover
16 sheet and the envelope in which it was mailed, Armstrong
17 - as of December 15, 1997 - did not have a residential
18 or other address of his own in Nevada." (Wilson Decl.
19 21-23)

20 I used, and will continue to use, while I am in Nevada, my
21 attorney's address for my dealings with Scientology because of the
22 continual threat from Scientology agents and as a safety measure
23 against Scientology's false claims of service of documents when no
24 service had actually been made.

25 28. Mr. Wilson states:

26 "On or about April 1, 1998, Armstrong posted a
27 message (Ex. I to Wilson Decl.) to an Internet public
28 news group stating, "I have been extremely busy in

1 Canada, and so involved in so many things, that it has
2 not been ultimately timely to move to my next spot..."

3 (Wilson Decl. 4:2-4)

4 In that same message, however, I more importantly state:

5 "I am not holed up, as you say, although there have
6 been times when I have been acutely aware of the
7 physical danger I am in from your organization, which
8 awareness has certainly been at those times an
9 dominating factor in my behavior. That awareness,
10 peaking with the discovery of your organization's false
11 IRS 1023, particularly its black PR of me, was what
12 brought me to leave California and live the better part
13 of a year in B.C. ¶ Within the past few months I moved
14 my official residence to Nevada, and that is where I can
15 be served with legal process. (Underline added) (Wilson
16 Decl. Ex. I)

17 29. Mr. Wilson states:

18 "I am informed and believe that, as of
19 February 14, 1997, plaintiff Gerald Armstrong
20 was living with Lorien Phippany and residing
21 in San Anselmo, California. On that date, I
22 gave Mr. Armstrong notice, by telephone to
23 his residence in San Anselmo, of an ex parte
24 application for the issuance of an order to
25 show cause re: contempt. The telephone was
26 answered by an answering machine that played
27 a recording of the voice of Lorien Phippany
28 that stated, "Please leave a message for

1 either Jerry or Lorien." I called his number
2 again and heard exactly the same message. ¶I
3 am informed and believe that at some point
4 after the Contempt Order and bench Warrant
5 against Armstrong were issued, Armstrong
6 became a fugitive from justice by fleeing
7 California for Canada, where he could not be
8 prosecuted pursuant to the Bench Warrant and
9 Contempt Order. My belief is based on the
10 fact that on August 25, 1997, he served his
11 opening brief in the appeal by mailing it
12 from Chilliwack, B.C., Canada. (Wilson Decl.
13 4:7-17)

14 I left California for good and was in Nevada on or about January
15 28, 1997, and I was in Canada on February 11, 1997. Appended
16 hereto as Exhibit H is a true and correct copy of my boarding pass
17 of that date. The contempt order Mr. Wilson refers to was not
18 issued until June, 1997. I stayed in Canada until October, 1997
19 when I traveled to Germany. After returning to Canada from Germany
20 I traveled to Nevada where I established my present residence in
21 November, 1997.

22 30. Mr. Wilson states:

23 "I mailed a copy of said motion, referred to by
24 Armstrong in his declaration, to Armstrong at his last
25 known residential address in San Anselmo, California in
26 early November, 1997." (Wilson Decl. 5:19,20)

27 This is untrue. This motion was mailed by Mr. Wilson to me in
28 Nevada. It was never, to my knowledge, mailed to my former address

1 in California, and I did not receive it there, nor was it
2 forwarded to me from there.

3 29. Mr. Wilson states:

4 "In January, March and April 1998, I caused Sheila
5 M. Werner of Vancouver, British Columbia, Canada to
6 establish contact with Gerry Armstrong by telephone by
7 telephone and in person. During this time period, as
8 testified to be Ms. Werner, at Exhibit L, she had
9 contact with Gerry Armstrong on 10 separate occasions.
10 Each time Gerry Armstrong was in Chilliwack, British
11 Columbia. In a personal meeting on April 5, 1998 Gerry
12 Armstrong informed Ms. Werner that he had recently been
13 in Nevada "but that he does not plan to live there and
14 was only there for legal matters." (Wilson Decl. 5:21-
15 26)

16 As I have stated in paragraphs 10-19, supra, Ms. Werner is simply
17 lying about what I told her concerning my Nevada residence and my
18 plan to live here. While it is true that each time Ms. Werner
19 contacted me I was in Chilliwack, B.C., she could just as easily
20 have contacted me in Nevada. Since she was, according to the sworn
21 statement of attorney Wilson, being directed and operated by him
22 in this operation, he could just as easily have had her call my
23 attorney George Abbott, with whom Mr. Wilson has corresponded a
24 number of times, to reach me in Nevada. She knew that I was in
25 Nevada during March this year, and I have been very open about my
26 being here and planning to be here. Mr. Wilson sent Ms. Werner to
27 get close to me by lying about her intentions and her contacts
28 with Scientology agents in order to give a context to the lie he

1 wanted her to tell about my intention to live in Nevada.

2 30. Mr. Wilson states:

3 "On April 15, 1998, in an attempt to determine
4 whether Armstrong has as yet acquired a residence in
5 Nevada, I telephoned information at (702)555-1212 and
6 inquired as to a listing for Gerald Armstrong in Minden,
7 Nevada, or anywhere within the 702 area code. The
8 operator with whom I spoke informed me there was no such
9 listing." (Wilson Decl. 5:27-6:2)

10 I have no intention of having a listed telephone number and do not
11 have one. A search will also reveal that there is no listing for
12 me in Canada.

13 31. Mr. Wilson states:

14 "On the basis of the aforementioned events, I am
15 informed and believe that at the time of the filing of
16 the complaint in this case and continuing until the
17 present time, Armstrong was still residing in Canada."

18 (Wilson Decl. 6:4-6)

19 This is untrue. I did reside in Canada during part of 1997.
20 Members of my family still reside there, and I may still visit
21 them there from time to time, but my residence is now here in
22 Nevada and I intend to stay here.

23 32. CSI avers that "there is no basis for the Court to
24 assert personal jurisdiction over Defendant CSI because there are
25 no contacts between Defendant and the State of Nevada." (CSI's
26 Motion, 2:9-10) On information and belief, this averment is
27 completely untrue. CSI is a "management" component of the
28 Scientology enterprise, managing all the "lower level "

1 Scientology organizations around the world, including Nevada.
2 There is a "lower level" Scientology organization, the "Church of
3 Scientology of Nevada," located in Las Vegas, as well as even
4 lower level franchises, which are also under the control of CSI.
5 CSI "management" personnel have continual contact with personnel
6 at the Nevada organization, and in fact control the Nevada
7 corporation's activities. CSI is made up of Sea Organization
8 ("SO") members, the "elite" upper echelon of Scientology
9 management staff who are required to sign billion year service
10 contracts. Control of all of Scientology, including Scientology in
11 Nevada, is effectuated through SO members and SO organizations
12 including this moving defendant corporation. CSI sends its
13 personnel on "missions" to every lower level Scientology
14 organization in the world, including Nevada. These "missionaires",
15 and CSI itself, have the authority to issue orders to any
16 personnel in any lower level Scientology organization in the world
17 including Nevada, and enforce compliance with those orders.
18 Enforcement powers of CSI over personnel in every lower level
19 Scientology organization including Nevada are unlimited and can
20 include staff position changes, dismissal and fair gaming. CSI,
21 under the ultimate control of supreme Scientology leader David
22 Miscavige, is in control of the finances of every lower level
23 organization in the world, including Nevada, and derives income
24 from its management and control of those lower level organizations
25 including Nevada.

26 33. CSI also now "licenses" Scientologist around the world
27 with an Internet account, including Scientologists in Nevada with
28 an Internet account, to have a personal web site designed with a

1 template provided by CSI. A true and correct copy of the
2 "contract" between CSI and Scientologists, including
3 Scientologists in Nevada is appended hereto as Exhibit I.

4 34. CSI director Michael Rinder states:

5 "CSI has no offices or subsidiaries in Nevada. It
6 is not qualified to conduct business in Nevada and it
7 does not conduct business in Nevada." (Rinder Decl. 2,
8 para 3)

9 This is untrue. On information and belief CSI conducts business
10 continually in Nevada. Mr. Rinder has been for some time the head
11 of Scientology's Office of Special Affairs International ("OSA
12 Int"), the branch of the global Scientology enterprise dealing
13 with "legal affairs," "public relations" and "intelligence
14 operations." OSA Int is "housed" in CSI. Each lower level
15 Scientology organization around the world, including in Nevada,
16 has its own OSA unit, under the direction and control of OSA Int.
17 OSA Nevada personnel are trained at OSA Int, posted to their
18 Nevada OSA positions by OSA Int, directed and operated on orders
19 from OSA Int, and may be removed from their positions and punished
20 by OSA Int.

21 35. I know Mr. Rinder personally. He is himself a
22 Scientology intelligence operative who participated in a 1984
23 intelligence operation against me with the goal of entrapping me
24 in the "commission" of a crime. Mr. Rinder pretended to be a
25 critic and reformer of the Scientology organization's criminal
26 activities in order to lure me into a setting and conversation
27 where I was covertly and illegally videotaped. This illegal
28 videotaping involving Rinder, which was denounced by the then

1 Chief of the Los Angeles Police Department, is central to my
2 claims of defamation in this case. Rinder has also personally
3 participated in the fair game and black PR operations against me
4 following the 1984 operation.

5 36. RTC avers that "there is no basis for the Court to
6 assert personal jurisdiction over Defendant RTC because there are
7 no contacts between Defendant and the State of Nevada." (RTC's
8 Motion, 2:6,7) On information and belief, this averment is
9 completely untrue. RTC is a component of the Scientology
10 enterprise by which David Miscavige, as Chairman of RTC's Board of
11 Directors, head of the Sea Organization, and Scientology supreme
12 leader, is able to control all Scientology organizations,
13 including the Nevada Scientology organization, and all
14 Scientologists around the world, including all Scientologists in
15 Nevada. RTC claims to own or control Scientology's various trade
16 and service marks, and to own or control Scientology's texts,
17 policies and other writings. RTC licenses "lower" Scientology
18 organizations, including the Nevada Scientology organizations, to
19 use the marks and copyrighted materials it owns or controls. RTC
20 controls, through CSI management or missionaries, what is done in
21 every Scientology organization in the world, down to the most
22 minute details. RTC owns or controls the term "Scientologist" and
23 determines and controls who is a "Scientologist in good standing"
24 around the world, including in Nevada. RTC has continual contact
25 with personnel at the Nevada organization, either directly or
26 through CSI, and controls the Nevada corporation's activities
27 through licensing contracts and through CSI management and other
28 components of the global Scientology enterprise control. RTC, like

1 CSI, is made up of Sea Organization ("SO") members. Control of all
2 of Scientology, including Scientology in Nevada, is effectuated
3 through SO members and SO organizations including this moving
4 defendant corporation. RTC, like CSI, sends personnel, either its
5 own, CSI's or from some other SO component of the global
6 Scientology enterprise, on "missions" to lower level Scientology
7 organizations, including Nevada. These "missionaries", and RTC,
8 either through CSI or by itself, has the authority to issue orders
9 to any personnel in any lower level Scientology organization in
10 the world including Nevada, and enforce compliance with those
11 orders. Enforcement powers of RTC, as with CSI, over personnel in
12 every lower level Scientology organization including Nevada are
13 unlimited and can include staff position changes, dismissal and
14 fair gaming. RTC derives income from its licensing activities and
15 its management and control of lower level organizations including
16 Nevada.

17 37. Appended hereto as Exhibit J is a true and correct copy
18 of an Order filed October 29, 1997 in the case of Lawrence
19 Wollersheim v. Church of Scientology of California, et al., Los
20 Angeles Superior Court Case No. C332027, and an Order Amending
21 Judgment and Judgment Thereon filed November 14, 1997 in that
22 case. The Los Angeles Court stated in its Order:

23 "The parties agree that Scientology reorganized its
24 corporate structure from 1981 through 1985, during the
25 pretrial stage of the instant lawsuit. CSI became the
26 new "mother church," replacing CSC. RTC was formed in
27 1982 with the approval of L. Ron Hubbard, Scientology's
28 founder, and is the owner and protector of Scientology's

1 service marks and products." (Ex. J, p 2, para 3)

2 "Authority over CSC and its affairs was handed over
3 to CSI and RTC, especially David Miscavige, who controls
4 both corporations and all of Scientology after the death
5 of L. Ron Hubbard. "Sea Org" is the unincorporated
6 association which is the power center - Miscavige is its
7 highest ranking member. [] Miscavige is also Chairman
8 of RTC []" (Ex. J, p 4, para 9)

9 "Scientology's corporate officers and trustees are
10 intermingled at will." (Ex. J, p 4, para 10)

11 "RTC's present chairman and highest officer in the
12 power hub "Sea Org," David Miscavige, supervised and
13 controlled the defense [of the Wollersheim litigation]"
14 (Ex. J, p 5, para 14)

15 "As this court has concluded CSI and RTC are the
16 alter egos of CSC []" (Ex. J, p 6, para 5)

17 38. The CSI-RTC-Sea Org power hub of Scientology under David
18 Miscavige employs agents who use the Internet to black PR critics
19 and reformers of the organization's immoral activities. These
20 agents post attacks on critics and reformers, including me, on
21 various newsgroups, especially alt.religion.scientology ("ars").
22 These black PR attacks go to every country and every state,
23 including Nevada. I have today downloaded at a computer terminal
24 in Nevada a representative sample of the hundreds of posts
25 Scientology agents have made to ars and other newsgroups attacking
26 me. A true and correct copy of these representative posts are
27 appended hereto as Exhibit K. All these posts, and many more black
28 PR attacks on me are available to anyone in Nevada at URL

1 <http://www.dejanews.com>.

2 39. Appended hereto as Exhibit L are true and correct copies
3 of pages from the book What is Scientology? The copyright page
4 states that the book was "Compiled by the staff of the Church of
5 Scientology International." Page 358 and 359 are descriptions for
6 Scientology public relations purposes of CSI and RTC respectively.

7 40. Included in the description of CSI are the following
8 statements:

9 "Through CSI's ecclesiastical management
10 activities, individual Scientology churches receive
11 guidance in applying the scriptures both technically and
12 administratively.

13 CSI broadly plans and coordinates Scientology
14 expansion overall; providing programs to be carried out
15 by the individual organizations and groups, and then
16 helping with their implementation toward expansion.

17 ...

18 In addition to coordinating the overall expansion
19 of Scientology, CSI sees to the distribution of
20 Scientology scriptures, both in written and audiovisual
21 form.

22 ...

23 Church management provides ecclesiastical guidance
24 to each of the Scientology organizations, coordinates
25 the activities and expansion of Scientology
26 internationally and in so doing makes it possible for
27 Dianetics and Scientology to meet the demand for its
28 services around the world." (Ex. L, p. 358)

1 Among the organizations or groups that CSI manages and coordinates
2 the activities of are the Scientology organizations and groups in
3 Nevada. Among the locations in which CSI sees to the distribution
4 of Scientology written and audiovisual scriptures is the State of
5 Nevada.

6 41. Included in the description of RTC are the following
7 statements:

8 "RTC possesses ultimate ecclesiastical authority
9 over the international hierarchy concerning the
10 maintenance and standard application of L. Ron Hubbard's
11 technology. RTC owns all the Scientology trademarks and
12 service marks and controls their licensing and use."

13 (Ex. L, p 359)

14 Within the "international hierarchy" over which RTC possesses
15 ultimate authority are the Scientology organization and groups
16 located in Nevada. Among the organizations and groups wherein RTC
17 controls the use of the trademarks and service marks are the
18 Scientology organization and groups in Nevada. Among the
19 organizations and groups wherein RTC has authority of the
20 application of Scientology "technology" are the Scientology
21 organization and groups in Nevada.

22 42. CSI states:

23 "Armstrong is proceeding in Nevada so that he may
24 avoid the consequences of the contempt order in
25 California, and this Court should not permit its
26 jurisdiction to be invoked so that the jurisdiction of
27 another court may be subverted and the Complaint should
28 therefore be dismissed." (CSI's Memorandum of Points and

1 Authorities, 10:14-17)

2 This is untrue. The consequences of the California order, although
3 that order is illegal and a part of Scientology's ongoing fair
4 game campaign against me, have nothing to do with my choosing
5 Nevada as my residence. During another period when I was working
6 at a completely different job in Nevada in 1996 I became
7 acquainted with attorney George Abbott who now represents me in
8 this case. Over the next several months I communicated many times
9 with Mr. Abbott, and he became familiar with my history and with
10 Scientology's unrelenting attacks on me, including its use of the
11 courts to carry out its improper attacks. My history of attacks at
12 Scientology's hands is long and my legal situation with
13 Scientology is complex, and I was grateful to find in Mr. Abbott
14 an attorney who both understood these matters and had the courage
15 to want to do something about righting the injustices Scientology
16 was heaping on me. This is what brought me to decide to move to
17 Nevada in order to work with Mr. Abbott. My moving to Nevada has
18 nothing to do with avoiding legal consequences, but is to
19 facilitate my being able to correct Scientology's injustices. My
20 move to Nevada could not be arranged any earlier than I did for
21 various personal reasons, but as soon as I was able to do so I did
22 make Nevada my domicile, and took the first step to correct
23 Scientology's injustices by filing this lawsuit.

24 43. I left California in January, 1997 not as a fugitive
25 from justice, but to be able to correct a terrible injustice. I
26 discovered in January, 1997 that, in addition to Scientology's
27 continuing to black PR me publicly, e.g., as shown by the black PR
28 provided to Watchman Fellowship which underlies this case, and in

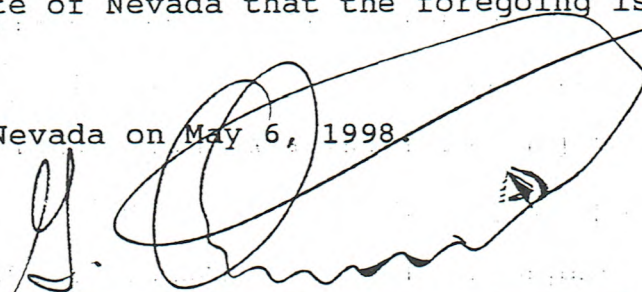
1 addition to continuing to threaten me in and out of the legal
2 arena, the organization had also included a terrible black PR
3 attack on me in its form 1023 submission to the IRS, pursuant to
4 which Scientology's 1993 tax exemption was granted. (See also
5 1/26/98 declaration, Ex. G hereto, pp 20-23, paras 27, 28). I
6 realized when I read that black PR provided to the IRS that
7 Scientology's leaders believed that their fraudulently obtained
8 tax exemption, involving perhaps billions of dollars, depended on
9 silencing me, and that I was in extreme danger. That danger, and
10 the need to be somewhere relatively safe where I could do
11 something relatively safely to reduce that danger and expose the
12 underlying fraud, is what brought me to leave California, to go to
13 Canada, and finally to move to Nevada where I am working with Mr.
14 Abbott to correct these wrongs. I am not a fugitive from justice,
15 but am actively involved in Nevada in rectifying the injustice of
16 the California injunction, and the subsequent "contempt orders"
17 which Scientology was able to get the Marin County California
18 Court to sign.

19 44. I am more certain than ever that the orders of the Marin
20 Superior Court, upon which the Scientology defendants herein rely
21 to claim that I am a fugitive from justice, and to support their
22 motion to dismiss this case, impermissibly violate the US
23 Constitution's guarantees of First Amendment freedoms, are against
24 public policy and illegal. I can no more be legally judicially
25 compelled to not mention L. Ron Hubbard, Scientology or my
26 experiences in that "religion" than another US citizen can be
27 legally judicially compelled to not mention, on penalty of fine
28 and imprisonment, God, Jesus Christ, the Christian religion, or

1 the person's religious experiences in that religion. I do not
2 believe that the right to discuss a religion or religious
3 experiences or reform a religion can legally be contracted away or
4 judicially prohibited and punished. I am certain that the Marin
5 Court's order, which Scientology interprets to permit that
6 organization and its agents to say or publish whatever they want
7 about me, and prohibit me from responding or punish me with fines
8 and imprisonment if I do respond, is against public policy,
9 obstructive of justice, and illegal. This interpretation by
10 Scientology is articulated in a letter dated February 25, 1997
11 from attorney Wilson to my attorney George Abbott, a true and
12 correct copy of which is appended hereto as Exhibit M. Mr. Wilson
13 states in that letter that I am not free "to communicate orally,
14 in writing or by any other legal means available to [me] to fully
15 correct [] alleged lies and distortions." (Ex. M p.1, para 3).
16 The Scientology organization leaders and their agents have
17 subjected me for over fifteen years to a massive international
18 black PR assault on my character, credibility, safety and peace.
19 I cannot believe that I can, in this country, be legally
20 prohibited from defending myself. I cannot believe that our
21 justice system will continue to permit this modern day slavery.

22 I declare under the penalty of perjury under the laws of the
23 United States and the State of Nevada that the foregoing is true
24 and correct.

25 Executed at Minden, Nevada on May 6, 1998.

26 A large, stylized handwritten signature in black ink, appearing to read 'G. Armstrong', is written over a horizontal line. The signature is somewhat circular and loops around itself.

27
28 GERALD ARMSTRONG

Church of Scientology of Texas

2200 Guadalupe, Austin, Texas 78705 (512) 474-6631

Craig Branch
Watchman Fellowship
PO Box 53084
Birmingham, AL 35253

October 21, 1996

Re: Latey and Armstrong Decisions

Dear Mr. Branch:

Enclosed are a couple of things I provided to James Walker in our last meeting. I believe this is documentation you may not have. Please keep this data in your files on Scientology.

The Latey decision a child custody decision with language that was very critical of Scientology.

Your statement during the St. Louis conference that the Church's lawyers had an opportunity to present their side of the case was not true. The judge allowed enemies of the Church to testify in this case but did not allow the Church itself to put on evidence, appear in the case or refute what was said. As you are probably well aware, custody and divorce cases where religion is made an issue are notorious for this kind of thing.

The Armstrong decision also contained language that was quite critical of Scientology. While Judge Brackenridge himself obviously had ill feelings toward the Church, the California appeals court has held that there can be no problem of stigmatization of the Church from this language because Brackenridge was only reciting Armstrong's purported state of mind. If you wished you could probably track down the appeal decision in this case and verify this for yourself.

Sincerely,



Cathy Norman

cc: James Walker

ARMSTRONG EXHIBIT A

10-May-1993

CHURCH OF SCIENTOLOGY OF CALIFORNIA (PLAINTIFF)

VS

GERALD ARMSTRONG (DEFENDANT)

June 20, 1984

FALSEHOOD IN DECISION OF JUDGE BRECKENRIDGE:

1 "While defendant has asserted various theories of defense, the basic thrust of his testimony is that he did what he did, because he believed that his life, physical and mental well being, as well as that of his wife were threatened because the organization was aware of what he knew about the life of LRH, the secret machinations and financial activities of the Church and his dedication to the truth."

TRUE INFORMATION:

2 Los Angeles Superior Court Judge Paul Breckenridge made the above statement as part of a decision where the Church had sued Armstrong for theft of certain confidential documents from the Church. As the following information will show, Gerry Armstrong, far from being afraid for his life, was actively engaged in secret machinations of his own to seize control of the Church. Far from any "dedication to the truth," Armstrong has boasted at length of his ability to lie and to forge documents.

3 Gerald Armstrong is a former clerk employed by Church of Scientology of California. During the later years of his tenure as an employee of the Church, Armstrong was placed in charge of a huge quantity of documents that belonged to L. Ron Hubbard that contained private and personal information regarding Mr. Hubbard. Part of his duties included research to support the work of an author who had been retained to write an authorized biography of Mr. Hubbard.

4 In late 1981, Armstrong suddenly vacated Church premises and left its employ, taking with him huge numbers of confidential documents that belonged to Mr. Hubbard or his wife which the Church was holding as bailee. It was no coincidence that Armstrong left at that time because he had repeatedly expressed his ambition to join the Guardian's Office, a former autonomous unit which handled external-facing matters for the Church during the 1970's. The Guardian's Office at the time Armstrong left was in the process of being taken over and ultimately disbanded by Church management due to its destructive actions in violation of the policies of the Church.

ARMSTRONG
EXHIBIT B

5 In the summer of 1982 the Church received evidence that Armstrong had stolen thousands of documents from archives when he left the Church. Church counsel wrote to Armstrong, demanding that he return them. Armstrong denied the theft.

6 Once the demand for return of documents was made, Armstrong turned the stolen documents over to an attorney named Michael Flynn, with whom Armstrong decided he could make a lot of money.

7 In August 1982, the Church sued Armstrong for conversion, breach of fiduciary duty and confidence, and invasion of privacy based on Armstrong's theft of extensive amounts of private papers owned by the Church or the Hubbards. The Church sought return of the papers and the imposition of a constructive trust over them, and any proceeds derived from them, as well as preliminary and permanent injunctive relief against dissemination or disclosure of the private documents.

8 In September 1982, Armstrong, represented by Flynn, answered the complaint and raised the defense that he was justified in stealing the documents entrusted to him as a fiduciary because he wished to make public information about Mr. Hubbard and the Church out of fear for his safety and well-being. His defense was stricken on four different occasions by three different judges.

9 Armstrong and Flynn were then ordered to turn all copies of the documents that Armstrong had stolen over to the court where they were placed under seal. By the time this was done, however, they had ample time with the documents to prepare a defense that was largely based on the documents.

10 In April 1984, the case was assigned for trial before Judge Paul Breckenridge, Jr. At that time the Church presented motions to prevent Armstrong from introducing the stolen, confidential documents since their introduction into evidence would invalidate the very rights of privacy the action sought to protect. The Court not only allowed Armstrong to introduce the confidential documents, but also allowed him to raise his four-times stricken defense with a new perverted twist. He would not have to prove there was anything to fear from the Church, but only that it was his state of mind that there was at the time that he stole the documents. The Church was completely ambushed in the trial by these documents, as in most cases Armstrong had stolen the only copy that existed. Whereas Flynn had been able to prepare their case from documents before they were placed under seal in the Court, the Church had no access to them. Although the inflammatory allegations that Armstrong made and purported to support with these documents could have been shown to be false or grossly distorted by other evidence, the Church had no chance to prepare and put on that evidence before being hit with the documents in trial.

11 During the trial, Armstrong presented testimony from numerous witnesses who testified for the purpose of establishing Armstrong's supposed "state of mind" with regard to his alleged justification for stealing the documents. Each of the witnesses was hostile to the Church and, in fact, was a plaintiff against or taking a position adverse to the Church in other litigation in which Flynn was the counsel. Each witness gave general testimony about his or her own viewpoint on relationships with the Church in an effort to bolster Armstrong's state of mind justification defense.

12 The Court did not allow the Church to put on evidence to rebut the testimony of those witnesses. The Court also declined to allow the Church to put on evidence explaining the confidential documents and precluded the Church's proffered rebuttal evidence on the ground that the adverse testimony was admitted only for the purpose of establishing Armstrong's state of mind and not for the truth or falsity of the matter testified about.

13 On July 20, 1984, Judge Breckenridge issued the above Statement of Intended Decision which became final a month later, which held that the Church had "made out a prima facie case of conversion..., breach of fiduciary duty, and breach of confidence" (i.e. the Church had proven that Armstrong was guilty of stealing the documents and violating the confidences and duties he owed to his former employer). Judgment, however, was entered in favor of Armstrong, essentially finding that Armstrong was justified in committing these offenses to defend himself because he had become "... terrified and feared that his life and the life of his wife were in danger, and he also feared he would be the target of costly and harassing lawsuits." The judge went on to pontificate on the psychological mind-set of not only Mr. Hubbard, but Scientology at large. The only lawsuit that there was to fear was the one that was ultimately filed for return of the stolen documents. It never would have been brought had Armstrong voluntarily returned the documents when asked, despite the theft.

14 Thus the entire basis for the Breckenridge decision was that Armstrong's state of mind when he committed these thefts was that he was afraid of the Church. Evidence found after the Armstrong trial proves not only that Armstrong never was afraid of the Church as he claimed at trial -- those claims were a total farce -- but that he was engineering a plan to infiltrate and take over the Church at the behest of the Criminal Investigation Division of the Internal Revenue Service (IRS CID), in complete and willful violation of the First Amendment to the Constitution and the actual purpose of the IRS.

Shortly after the trial, Armstrong's conspiracy against the Church surfaced when he sought, at the behest of IRS CID agents Al Lipkin and Phillip Xanthos, to recruit Church employees and

organize them against the Church. To this end Armstrong contacted a Church member and former friend to enlist his aid in recruiting a group of dissident Scientologists to overthrow Church management. After this individual informed the Church of Armstrong's plan, however, the Church obtained permission from the Los Angeles Police Department to conduct undercover surveillance of Armstrong in order to catch him in the act. The Church then used two "undercover" persons to collect evidence of Armstrong's machinations.

16

Videotaped conversations show that Armstrong intended to recruit additional persons to create "as much s____ for the organization as possible." Part of this plan was to seed the Church's files with forged and "incriminating" documents which would then be seized in a raid by the Internal Revenue Service. Armstrong and those he recruited would then follow after with sham lawsuits intended to seize control of the Church after such a raid. The video-taped conversations also showed Armstrong planning in advance to lie under oath to prevent discovery and to protect his co-conspirators.

17

Armstrong was also captured on the videotapes admitting that there the purported basis for his justification defense -- that he feared the Church -- was completely bogus, since he had no fear that anyone associated with the Church could or would harm him. Speaking with an undercover operative known to Armstrong as "Joey," Armstrong revealed his "justification" defense for the fraud it was, and that his only "fear" was that his conspiratorial plans would be discovered:

JOEY: Well, you're not hiding!

ARMSTRONG: Huh?

JOEY: You're not hiding.

ARMSTRONG: F____ no! And . . .

JOEY: You're not afraid, are you?

ARMSTRONG: No! And that's why I'm in a f____ing stronger position than they are!

JOEY: How's that?

ARMSTRONG: Why, I'll bring them to their knees!

18

Armstrong requested that the undercover persons give him Church documents so that he could forge documents in the same style. In particularly revealing language with respect to the documents he stole and later relied on at trial, Armstrong stated with respect to forgeries that he could "create documents with relative ease" because he "did it for a living."

19

Armstrong then planned to "plant" forged, incriminating documents in the Church's files so that those documents could be later discovered and used to discredit the Church. Armstrong planned to "tip off" investigators for the Criminal Investigations Division of the Internal Revenue Service once the phony documents were safely planted so that they could be "discovered" in a later IRS raid.

JOEY: (Laughs) Great, so what kind of stuff are we going to want to create and who's going to get it?

ARMSTRONG: That's what we need to talk about!

* * *

JOEY: -- and what do the agencies want on this?

ARMSTRONG: O.K. Well, the agencies have asked for some specific things, that's all they asked for. Now - -
* * *

JOEY: Now, who wanted this?

ARMSTRONG: CID.

20

The videotapes also reveal Armstrong's true motivations and his systematic and fraudulent sabotage of the trial. Armstrong stated he would bring the Church to its knees and that the fomentation of litigation was one of the prime vehicles for accomplishing this objective. He stated:

ARMSTRONG: That they're going to lose in a whole bunch of jurisdictions. They're going to lose, they're going to lose, they're going to lose (tapping his palm each time he said it). And they're going to start losing (shrugs) 1985. They only even have to lose one, and attorneys all over the country are going to jump on the f__ing bandwagon. And watch, you know, all of a sudden you've got precedents being established, which are incredible.

21

Armstrong further explained that, from his perspective, neither the truth nor good faith play any significant role in litigation. He instructed the undercover Church member that facts mean nothing to a civil litigant and that truth is merely an avoidable obstacle. Armstrong explained how a civil claim can be pursued despite an absence of a claim or essential facts:

ARMSTRONG: They can allege it. They can allege it. They don't even have -- they can allege it.

MIKE: So they don't even have to have the document sitting in front of them and then --

ARMSTRONG: F___ing say the organization destroys the documents

* * *

ARMSTRONG: Where are the -- we don't have to prove a goddam thing. We don't have to prove s___; we just have to allege it.

22

As to Armstrong's "dedication to the truth," for which he is complimented in the trial court's decision, Armstrong took the opportunity to instruct both "Joey" and "Mike" separately on the need and desirability of lying under oath:

ARMSTRONG: By the way, no one will ever get any names, any communications, any times, any dates or anything out of me, that's just the way it is. I'll go to prison before I ever talk, okay. So you have to know that, because they're wanting to depose me every couple of months. I'm simply saying no, anyone I talked to that's, that has nothing whatsoever to do with this lawsuit, the causes of action in my lawsuit began in 1969 when I was enticed into the Sea Organization and it ended in 1981, or they actually they continue on because you guys have continued to harass me but you...

MIKE: Not us, hey!

ARMSTRONG: No, I'm telling you what I would tell them in deposition, but they don't get anything else, go ahead.

MIKE: Okay, so that, that's fine, we have an agreement on that point.

ARMSTRONG: Right. And you guys also have to have your agreements marked out between yourselves too, like, I don't know who knows I'm involved but, I'll deny it!

MIKE: Okay, well, we haven't said anything either.

ARMSTRONG: Good, Good.

23

Armstrong was even more direct in discussing the fine points of perjury when speaking with Joey:

ARMSTRONG: OK. What are our conversations, should it come down to it?

JOEY: What do you mean?

ARMSTRONG: What do we talk about. You're deposed. You walk out there, and there's a PI hands you paper, saying you're deposed Jack, and not only that, you're out of the organization. And what do you say in deposition. Well, Armstrong and I talked about this, and he had a whole bunch of ideas about how to infiltrate the communication lines and spread turmoil and disaster, you know! What are we doing here? That's my question, before I tell you my ideas on documents.

* * * *

ARMSTRONG: OK. So as far as the doc...Let me just say ab, you and I get together, we get together because I have a goal of global settlement. You have felt that the turmoil and abuses and so on have gone on too long... Hence we get together and discuss things. We have not discussed anything about a destruction of the tech, or Scientology is bad, or anything like that. Are we agreed?

JOEY: Yeah.

24

The evidence shows Armstrong's state of mind, not to be fear, but instead to be of a calculating, aggressive and dishonest character.

25

The Armstrong case was reviewed by the California Court of Appeal in summer 1991. The Court of Appeal refused to accept the evidence that the Church had discovered after the trial as outlined above, on the technicality that the trial court never got to see it first (an impossibility since it was obtained after the trial). The Court of Appeal upheld Breckenridge's decision on the legal technicality that it believed a

justification defense is available to defend against theft in California. As to the Church's protest to the gratuitous and condemning language of the Armstrong decision, the Court of Appeal ruled there was not a problem of stigmatization because Breckenridge was only reciting Armstrong's purported state of mind.

26

In December 1986, Armstrong entered into a settlement agreement with the Church. The agreement was designed to resolve all present and future issues between the parties. Armstrong agreed not to insert himself into future legal proceedings regarding the Church absent legal process. Within a short time after receiving the Church's money, however, Armstrong embarked on a course of conduct in direct, intentional violation of that agreement.

27

Upon entering into the agreement, Armstrong acknowledged that he understood the provisions of the settlement and had received legal advice thereon. Armstrong now states, however, that he found these provisions to be "not worth the paper they were printed on." He now says that he "put on a happy face" and "went through the charade" of signing the settlement agreement. The Church recently sued Armstrong for his blatant disregard of his obligations under the settlement agreement. After a full hearing, in which Armstrong was able to fully air his "justification defense", essentially replaying his 1984 case, another Superior Court Judge was not impressed and slapped Armstrong with a preliminary injunction.

GEORGE W. ABBOTT, CHARTERED
Law Offices

February 12th and 14th, 1997

Ms. Cathy Norman
Church of Scientology of Texas
2200 Guadalupe
Austin, TX 78705

By Fax at 512/474-2986
Hard copy to follow:
Certified mail RRR

Re: Norman/Branch letter dated October 21, 1996 and
a dead agent document ("da doc") of May 10, 1993.

Dear Ms. Norman:

This letter is written on behalf of my friend and neighbor, Gerald Armstrong. The professional advice given to him by me, as reflected hereinafter, represents my best judgments and resulting conclusions on the facts made known and perceived by me.

The judgments and conclusions reached were formed after reasonable inquiry that the allegations made are grounded in fact and warranted by existing law or a good faith argument for the extension, modification, or reversal of law existing in one or more jurisdictions.

On the same bases, and further consistency with Fed. R. Civ. P. Rule 11 please be advised that, to the best of my knowledge, information and belief the actions, demanded of you and your associates are imposed for entirely proper purposes.

You have caused to be transmitted to Craig Branch of the Watchman Fellowship a letter dated October 21, 1996 and a "dead agent document" (herein, sometimes "da doc") dated 10-May-1993, both of which concern Gerald Armstrong and recently received by him. Your letter states that you earlier provided that same da doc to James Walker, also of the Watchman Fellowship.

I am copying the Church of Scientology International, the Religious Technology Center and Scientology's leader David Miscavige because the da doc originated with them. These materials individually and together defame Mr. Armstrong. They contain distortions and lies known to you and your seniors to be distortions and lies, and were created and distributed with malice. Separately and collectively, they constitute libel per se.

Ms. Cathy Norman
February 14, 1997

Page Two

I represent Mr. Armstrong in his effort to correct the wrong done by you, your associates, and your seniors with and through your letter and the subject "dead agent document."

As you and your seniors know, Mr. Armstrong is an expert in the subject of fair game and in the fraudulent representations and history of Scientology. As you know, his testimony has been used in many lawsuits involving people who had been defrauded or "fair gamed" by your organization. Your letter and the da doc are intended to have the effect of destroying Mr. Armstrong's credibility and character and his ability to testify on behalf of fraud and fair game victims.

Another intended effect of these defamatory materials outside of the legal arena is to cause Mr. Armstrong to be rejected by people. As you know, Watchman Fellowship is a Christian research and apologetics organization, and Mr. Armstrong is a fellow believer. Your da doc was also used within the Scientology organization to cause Mr. Armstrong to be wrongly reviled and attacked by Scientologists.

Mr. Armstrong is distressed by this latest incident in your organization's black propaganda campaign. He believes that as long as Scientology continues to fabricate and tell lies about him he is in danger. He wants all of Scientology's fair game activities to end so that he can obtain the peace he and others are due.

The subject da doc was not included in the set of dead agent packs on Mr. Armstrong produced by Scientology in discovery in its litigations against him. For this reason I am copying Mr. Armstrong's former attorney Ford Greene so that he may take whatever action, if any, he may deem appropriate concerning Scientology's withholding of this document.

Demand is hereby made that every document of any kind under the control of any individual staff member or agent of any Scientology corporation or other entity, including all electronic records, pertaining in any way to Mr. Armstrong, be segregated, made safe and not destroyed or altered, nor removed from their present premises.

I have advised Mr. Armstrong that he is free to communicate orally, in writing or by any other legal medium available to him to

Ms. Cathy Norman
February 14, 1997

Page Three

fully correct the lies and distortions in your letter and dead agent document. I have advised him that he is free to communicate to anyone he believes may have been or may be exposed to this black PR, and that he is free to explain why Scientology and its leaders have created and distributed these documents.

I have further advised Mr. Armstrong that Scientology cannot legally prevent him from correcting this libel with threatened enforcement of your organization's "settlement agreement" of December, 1986. Each moment you and your seniors prevent him from telling the truth to whomever he chooses in rejection of your documents' attack on his character you are increasing his damages.

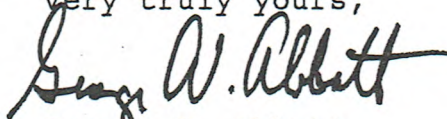
I demand, on his behalf, that you and your seniors immediately publish a full retraction of each and every lie and distortion in these documents. I further demand that you and your seniors immediately provide me with a complete list of each and every person, agency, organization or other entity inside or outside of Scientology to whom this document was at any time given or shown. Since this document was apparently created in 1993, it was not created for the purpose of sending to Mr. Branch and Mr. Walker in 1996, but for a far wider distribution.

Finally this is a demand for \$900,003.00 to compensate Mr. Armstrong for the damage you and your organization have done — up to the date of this demand — by the writing and dissemination of your letter and this document to the Watchman Fellowship.

If an understanding cannot be reached, and correction of this situation cannot be achieved, Mr. Armstrong is prepared to file a lawsuit for, inter alia, defamation, intentional infliction of emotional distress, and civil rights violations against you and all other persons, organizations or entities who participated in the writing and dissemination. He is prepared, also, to file a parallel and complementary action pursuant to the provisions of the Racketeering and Corrupt Influences Act.

I trust that you and your seniors will do the right thing.

Very truly yours,



George W. Abbott

cc: Page following

Ms. Cathy Norman
February 14, 1997

Page Four

cc: Ford Greene, Esquire
cc: Church of Scientology International
cc: Religious Technology Center
cc: David Miscavige

Ford Greene, Esquire
711 Sir Francis Drake Boulevard
San Anselmo, CA 94960

Church of Scientology International
6331 Hollywood Boulevard, Ste. 1200
Los Angeles, CA 90028

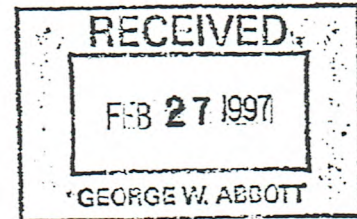
Religious Technology Center
1710 Ivar Avenue, Ste. 1100
Los Angeles, CA 90028

David Miscavige
1710 Ivar Avenue, Ste. 1100
Los Angeles, CA 90028

WILSON CAMPILONGO LLP

ANDREW H. WILSON

115 SANSOME STREET, SUITE 400
SAN FRANCISCO, CALIFORNIA 94104
(415) 391-3900
TELECOPY (415) 854-0938



February 25, 1997

George Abbott, Esq.
2245-B Meridian Blvd.
P.O. Box 98
Minden, Nevada 89423-0098

Re: Church of Scientology v. Armstrong
Our File No. SCI02-003

Dear Mr. Abbott:

This firm represents the Church of Scientology International ("CSI") in the referenced matter and has been asked to respond to your letter dated, curiously, "February 12th and 14th, 1997."

Although you say that you conducted a "reasonable inquiry" that the allegations you made are grounded in fact, it is quite apparent that you are ignorant of the lengthy history of the dispute between my client and Mr. Armstrong. Although you allude to it, you are unaware or have ignored the import and effect of the settlement agreement (the "Agreement") which they entered into on December 8, 1986. As you should know from your reasonable investigation, Mr. Armstrong raised every conceivable challenge to the Agreement in the referenced action, including the argument that the Agreement could not prohibit him from responding to allegations made by CSI concerning him.

All of Mr. Armstrong's arguments were rejected each time he made them. Armstrong was first enjoined from violations of the Agreement by the Hon. Michael Dufficy in March of 1992 by way of a temporary restraining order. The Hon. Ronald Sohigian in May, 1992, entered a preliminary injunction to similar effect. Judge Sohigian's order was appealed by Armstrong and affirmed in an opinion which dismissed Armstrong's arguments out of hand. In January of 1996, a Judgement of Permanent Injunction (the "Injunction") was entered against Armstrong in Marin County Superior Court following an order entered by the Hon. Gary Thomas summarily adjudicating various causes of action, including one for injunctive relief. It would behoove you to review these orders, and the papers in support and in opposition to the motions which resulted in those orders before advising Mr. Armstrong that "...he is free to communicate orally, in writing or by any other legal means available to him to fully correct..." alleged lies and distortions. The fact is that Mr. Armstrong is not free to do that. Mr. Armstrong's sole remedy is to seek appropriate relief for alleged defamatory statements.

The problem, of course, with that approach is that Mr. Armstrong will never be able to prove defamation. I have reviewed the documents which you allege are defamatory and am unable to find any statement concerning Mr. Armstrong, much less one which is defamatory. Please enlighten me

ARMSTRONG
EXHIBIT D

as to which statements you contend are defamatory, and why you make that contention. Please also inform me exactly how Mr. Armstrong became aware of the alleged defamatory communication and what persons Mr. Armstrong believes he needs to communicate with in order to correct these alleged defamatory statements.

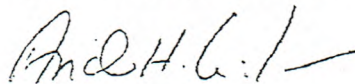
Your letter refers to Mr. Armstrong as your "friend and neighbor." It is my understanding that Mr. Armstrong currently resides in San Anselmo, California. In fact, I gave Mr. Armstrong notice on Friday, February 14 by telephone to his residence in San Anselmo (Telephone No. 456-8450) of an ex parte application for the issuance of an order to show cause re contempt. The telephone was answered by an answering machine which played a recording of the voice of Lorien Phippany which stated "Please leave a message for either Jerry or Lorien." As I was drafting this letter, I again called that number and heard exactly the same message. If Mr. Armstrong is currently residing in Minden, Nevada or its environs, I would appreciate your letting me know.

For your information, the ex parte application was successful. I enclose the application, supporting papers, and the order to show cause which Judge Thomas issued. You should find it interesting reading. I believe that my client has shown remarkable restraint in its dealing with Mr. Armstrong in enforcing the Judgment. It is apparent that Mr. Armstrong has a pathological inability to remain disconnected from CSI. This inability manifests itself in various provocations, such as the letter to the Los Angeles City Council which you must have discovered in the course of your reasonable investigation. CSI has "turned the other cheek" when it could, given the pathetically ineffectual nature of most of these provocations. However, it could not sit idly by in the face of Mr. Armstrong's direct communication with a sitting United States District Judge.

It is apparent to me that you and Mr. Armstrong are colluding to create a defense to a charge of contempt against Mr. Armstrong, as evidenced by your statement that you have advised Mr. Armstrong that he is free to communicate with anyone to correct lies which have been told about him. Before you provide Mr. Armstrong with such a purported "advice of counsel" defense, you should carefully consider whether you have a reasonable basis for such advice, whether you are subjecting yourself to liability for your uninformed advice or, even worse, for your collusion with Armstrong to avoid the Court's directive, and whether you are ultimately willing to be yet another victim of Mr. Armstrong's pathology.

Very truly yours,

WILSON CAMPILONGO LLP



Andrew H. Wilson

AHW-1917.1r
Enclosures

April 23, 1985

PUBLIC ANNOUNCEMENT
BY
DARYL F. GATES
CHIEF OF POLICE, LOS ANGELES

It has come to my attention that a member of the L. A. P. D. very foolishly, without proper authorization and contrary to the policy of this Department, signed a letter to Eugene M. Ingram, believed to have been drafted by Ingram himself. The letter purports to authorize Ingram to engage in electronic eavesdropping. The letter, along with all the purported authorization, is invalid and is NOT a correspondence from the Los Angeles Police Department.

The Los Angeles Police Department has not cooperated with Eugene Ingram. It will be a cold day in hell when we do.

I have directed an official letter to Ingram informing him that the letter signed by Officer Phillip Rodriguez dated November 7, 1984, and all other letters of purported authorizations directed to him, signed by any member of the Los Angeles Police Department, are invalid and unauthorized.

Internal Affairs Division is now investigating the entire incident.



THIS IS TO CERTIFY THAT I HAVE EXAMINED THE ORIGINAL OF THIS DOCUMENT AND FIND THIS REPRODUCTION TO BE A TRUE COPY OF SAME, MADE WITHOUT ALTERATIONS OR ERASURES.

By Sgt. [Signature] 4828
RECORDS & IDENTIFICATION DIVISION
LOS ANGELES POLICE DEPARTMENT

Dated: 5-16-85

ARMSTRONG
EXHIBIT E